



## GRAIN TRANSPORTATION REPORT

Shipper and Exporter Assistance Program  
Transportation and Marketing  
Agricultural Marketing Service  
United States Department of Agriculture

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December 8, 1997

**Railcar Service Problems Continue As Loadings Of Grain Lag Behind Last Year.** Railcar loadings of grain totaled 19,571 cars for the week ending Nov. 29, which is 2.7 percent less than the preceding week and 10.2 percent lower than last year at this time. Shipments were much lower for the week due to the Thanksgiving Holiday. Year to date grain shipments have been running lower than last year by about 2.7 percent. Rail service problems continue to plague grain merchants, especially for grain shipments destined for export. The Surface Transportation Board (STB) held a hearing on Dec. 3, following up on a Oct. 27 hearing and decided to extend the emergency service order to March 15, 1998. This will allow Western railroads additional time to restore orderly service on their rail systems. In their decision to extend the order the STB said "rail service to agricultural shippers by both the Union Pacific/Southern Pacific and the Burlington Northern/Santa Fe railroads is inadequate". Both railroads were ordered by the STB to report back to the board by Dec. 12 on specific steps they have agreed to with customer groups to move priority shipments. The two carriers were also ordered to file weekly grain transportation situation report with the STB. The *Major Export Sales* report shows unshipped balances for the current and next marketing year total 18.171 million metric tons (MMT) as of the week ended Nov. 27, as compared to 21.646 MMT last year for the similar week.

**Concern Over Canadian Prices.** U.S. Wheat Associates, on behalf of the wheat industry, recently accused the Canadian Wheat Board (CWB) of aggressive price undercutting. According to U.S. Wheat Associates President, Alan Tracy, the CWB is offering such large discounts that they are "disruptive of markets and unfair to both the Canadian farmers who apparently pay for the discount, and to U.S. farmers, who suffer the loss of market share." The statement came after evidence was collected by the U.S. Wheat Associates during a recent trip to Asia. The CWB, holds a legal monopoly over Canadian wheat and barley exports, allowing it substantial flexibility in the price it can offer to various foreign markets. The payments to Canadian farmers are based on the value of annual sales. In a system of selling wheat at below market prices, the CWB is "short-changing the income of its own producers," according to Dan Gerdes, U.S. Wheat Associates Chairman. The U.S. wheat group stated that the CWB offered and sold wheat to Philippine millers at price discounts of \$7 per metric ton less than the price of comparable U.S. spring wheat. In addition, it discovered that price discounts of at least \$20 per metric ton were offered on sales of wheat to Mexico, Sri Lanka and China. (*Reuters*)

**Weekly Grain Export Inspections.** The Grain Inspection, Packers and Stockyards Administration reports grain inspections for the week ended Nov. 27, 1997, totaled 78.688 million bushels, a decrease of 13.9 percent from the preceding week, and a decline of 32.7 percent when compared to inspections for the similar week in 1996. Slightly more than 38 percent of the grain inspected for export for the week ended Nov. 27, consisted of corn. More than 65 percent of all grain inspected for export passed through Gulf grain elevators.

**River Situation.** At the Melvin Price Locks and Dam during the previous 24 hours ending midnight Sunday (Dec. 7), 9 tows with 116 barges passed upbound, and 4 tows with 39 barges passed downbound. On Monday (Dec. 8), at 6:00 a.m., there were no tows waiting to go in either the upbound or downbound direction. In the Columbia River Basin on Friday (Dec. 5), 6 vessels were at berth loading, while 8 waited.

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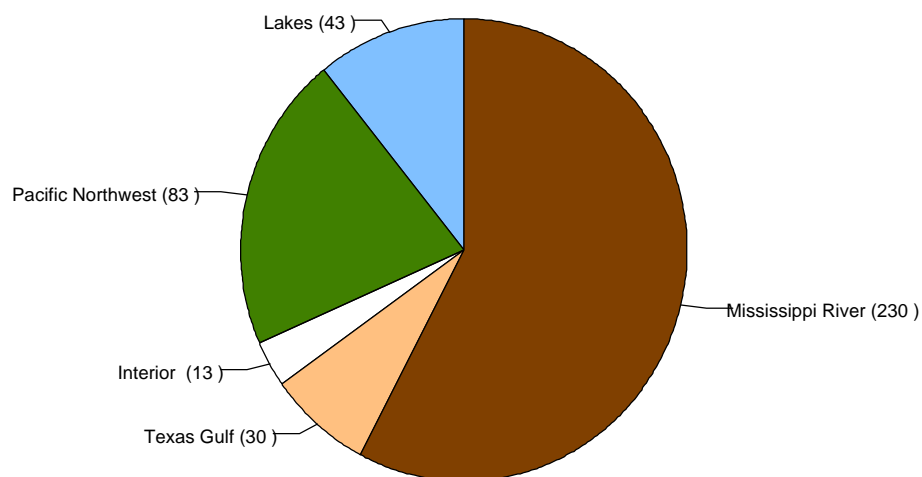
**SOUTHBOUND BARGE FREIGHT RATES\***

Week Ended November 28

River/Region	Contract Period	Rate**
No trades reported		

\* Based on Actual Trades from the Merchants Exchange of St. Louis Barge Call Session

\*\* Rates are Quoted as a Percentage of the 1976 Tariff Benchmark

**U.S. GRAIN EXPORTS, BY REGION  
OCTOBER 1997***million bushels*

WEEK ENDED	1997	COMPARABLE WEEK 1996
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**INSPECTIONS FOR EXPORT***1,000 Bushels*

Oct 30	94,616 *	99,634
Nov 6	93,655 *	99,707
Nov 13	96,038 *	116,805
Nov 20	91,349 *	108,402
Nov 27	78,688	116,973
Calendar Year to Date	3,405,791 *	3,935,434

\* Revised

**RAIL CARLOADINGS***Carloads*

Nov 1	24,449 *	30,533 *
Nov 8	25,147 *	31,793 *
Nov 15	24,696 *	30,512 *
Nov 22	25,383 *	27,044 *
Nov 29	19,571 *	21,802 *
Calendar Year to Date	1,115,550 *	1,146,090 *

\* Revised - Soo Line Not Included

**RAIL DELIVERIES TO PORT***Carloads*

	North Atlantic	So. Atlantic & Gulf	Pacific Coast	North Atlantic	So. Atlantic & Gulf	Pacific Coast
Oct 29	250	2,701	3,907	7	3,236	4,378
Nov 5	84	2,811	4,879	24	3,813	3,828
Nov 12	66	3,253	5,573	46	4,408	6,315
Nov 19	149	2,768	5,814	63	3,911	5,914
Nov 26	75	2,830	4,934	54	3,371	4,596
CY to Date	2,356	110,796	177,932	2,807	138,722	183,862

\* Revised

**BARGE GRAIN MOVEMENTS***1,000 Tons*

River / Lock Number	Week ending 11/29/97					Week ending 11/30/96				
	CORN	WHT.	SOY	OTHER	TOTAL	CORN	WHT.	SOY	OTHER	TOTAL
Miss./15	496	8	69	0	573	524	0	57	0	581
Miss./25	731	11	125	2	868	813	1	111	3	928
Miss./26	938	26	159	12	1,136	1,093	13	150	3	1,259
Miss./27	981	22	167	12	1,182	1,066	15	176	2	1,259
Ill. /8	182	11	33	2	227	275	0	30	0	305
Ohio /52	37	0	43	79	159	34	0	44	100	179
Ark./1	0	10	23	0	33	4	13	0	0	17

**Calendar year totals for Miss./27, Ohio/52 and Ark./1:**

Year	Corn	Wheat	Soybeans	Other Grains	Total
1997	27,410	2,504	8,658	3,096	41,668
1996	31,291	2,255	7,564	3,814	44,923

Other grains include barley, sorghum and oats. Totals may not add due to rounding. Data source: U.S. Army Corps of Engineers.

**MAJOR EXPORT SALES \****1,000 Metric Tons*

WEEK ENDED	1997			COMPARABLE WEEK 1996		
	WHEAT	CORN	SOYBEANS	WHEAT	CORN	SOYBEANS
Oct 30	4,248	7,299	8,105	3,538	14,298	7,545
Nov 6	4,138	7,606	7,331	3,528	14,132	7,748
Nov 13	3,996	7,810	7,099	3,382	13,971	7,468
Nov 20	4,236	7,673	6,632	3,152	13,329	7,242
Nov 27	4,299	7,565	6,307	2,666	12,272	6,708

\*Unshipped Balances-Current &amp; Next Marketing Year

**GULF COAST OCEAN GRAIN VESSELS**

		IN PORT	LOADED 7 DAYS	DUE NEXT 10 DAYS			IN PORT	LOADED 7 DAYS	DUE NEXT 10 DAYS
Nov	6	35	56	75			57	52	71
Nov	13	33	49	70			55	59	70
Nov	20	29	54	73			67	48	57
Nov	27	34	54	89			43	44	66
Dec	4	44	59	75			50	52	76

**AVERAGE GRAIN PRICES***Dollars Per Bushel*

		WHEAT	CORN <sup>1</sup>	SOYBEANS <sup>2</sup>			WHEAT	CORN <sup>1</sup>	SOYBEANS <sup>2</sup>
Oct	31	3.90	2.76	6.80			4.72	2.73	6.87
Nov	7	3.95	2.77	7.17			4.76	2.72	6.89
Nov	14	3.97	2.79	7.34			4.88	2.76	6.95
Nov	21	3.83	2.75	7.16			4.93	2.72	7.11
Nov	28	3.83	2.74	7.14			4.89	2.78	7.14

(Wheat-#1 HRW-ORD., Kansas City; Corn-#2 Yellow, Chicago; Soybeans-#1 Yellow, Chicago)

<sup>1</sup> Bought to arrive 15 days; <sup>2</sup> Bought to arrive 30 days.**OCEAN FREIGHT RATES\****Dollars/Tons - Basis Vessel Size/Ton*

U.S. Loading Port	Destination	Estimated Freight Rates	Dates of Movement
Lakes	Italy	\$28.00 - (18M)	December
Pacific Northwest	Taiwan	\$11.50 - (54M)	December
Gulf	Japan	\$19.75 - (54M)	December
Gulf	Ireland	\$14.75 - (24M)	December
Gulf	Hamburg	\$08.80 - (62M)	December

\*These ocean fixtures are based on full ship charters.